GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1321
ANSWERED ON:02.05.2016
Natural Rubber
Antony Shri Anto ;Patel Shri Prahlad Singh;Roy Prof. Saugata

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the average price of natural rubber in domestic and international market during the last five months along with the details of imports of natural rubber during the said period, month and country-wise;
(b) whether large-scale import of natural rubber has caused fall in price of natural rubber in the domestic market and if so, the details thereof;
(c) whether the Government proposes to improve the cultivation of rubber in the country especially in North Eastern States including Manipur and if so, the details thereof along with the total revenue earned by various States therefrom, State-wise including North Eastern States;
(d) whether the Government proposes to open a Rubber Board branch office in the North East and if so, the details thereof and if not, the reasons therefor;
(e) whether there is any proposal to increase the import duty on natural rubber and synthetic rubber and if so, the details thereof along with the steps taken by the Government to help the rubber farmers suffering due to steep fall in the price of natural rubber; and
(f) whether any State has sought special package for rubber farmers and if so, the details thereof ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (INDEPENDENT CHARGE)
(SMT. NIRMALA SITHARAMAN)

(a): Average price of natural rubber in domestic and international markets during the last five months and Statistics on country-wise import of Natural Rubber(NR) during the last five months is given at Annexure-1.
(b): Price of NR in the domestic market is highly sensitive to the volume and timing of import corresponding to the domestic consumption. However, several other reasons which influence the rubber prices include inter alia, trends in global demand, economic growth in major consuming countries, oil/synthetic rubber prices, weather conditions, currency exchange rates of major exporters and developments in futures markets etc.
(c): The Government is implementing the scheme "Sustainable and inclusive development of natural rubber sector "duringthe 12th Plan with the aim of improving cultivation of Natural Rubber in the county. The Scheme includes inter alia, components for promoting expansion of area under rubber, enhancing productivity and research development activities. New planting of rubber in non-traditional rubber growing regions including North East is promoted under the Scheme. Area under rubber and production in 2014-15 including North-Eastern States is given in Annexure-ll. NR is subject to levy of cess which is collected by the Centre Government in the consuming state and utilised for development of rubber sector. Details of cess collected in various states is at Annexure-lll.
(d): Rubber Board has 3 Zonal offices, 14 Regional Offices and 33 Field Stationsin North East for promoting rubber production/development activities.
(e): Government had enhanced the duty on import of NR from "20% or Rs.30/- per kg whichever is lower" to the maximum level of "25% or Rs.30/- per kg whichever is lower", beingthe WTO bound rate.The present import duty on Synthetic rubber (SR) is 10%. There is currently no proposal to increase the import duty of NR andSR.However, the Government hastaken various steps to regulate import of NR such as reduction in export obligation period, restriction on imports through specific ports and licensing under advance authorization for rubber sector. Impact of measures taken to regulate imports and promote exports are reviewed regularly by the Government in line with its overall policy for promoting overall industrial growth.
(f): State Government of Kerala has requested the Central Government to earmark Rs 500 crores from the Price Stabilization Fund maintained by the Department of Commerce for Plantation Crops with a view to provide additional price support of at least Rs.50/Kg to NR framers. Natural Rubber being a commercial crop is not considered for minimum price support. Moreover, price support of Rs 50/Kg involves cash subvention of large amounts at the current level of production for which adequate financial resources are currently not available.

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Annexure-I
Annexure 1 referred to in part(a) of Lok Sabha Unstarred Question No. 1321 to be answered on 02.5.2016.
Statement showing Month-wise and country-wise import of Natural Rubber from November 2015 to March 2016 (in tonne)
Month Vietnam Thailand Bangladesh Cameron Indonesia Sri Lanka Malaysia Africa Nigeria CÃ´te d"Ivoire Cambodia
Others
Total
November
2015 9084 5837 822 101 17122 0 831 0 0 827 400 202 35226
December
2015 12314 8343 879 0 20538 6 1011 0 0 1311 341 843 45586

January
2016 12455 5420 420 81 18219 0 968 101 101 1109 359 282 39515
February
2016 7647 5187 0 0 12262 6 746 0 504 302 422 302 27378
March
2016 3270 8434 208 0 15252 646 0 100 100 421 0 28431
(Provisional)

Statement on average price of NR in domestic and international market during the last five months
[Price in Rs per Kg]
Period Average price of RSS-4 grade in domestic market Average price of comparable grade (RSS3) in Bangkok
November 2015 109.54 81.63
December 2015 102.79 84.12
January 2016 97.80 83.05
February 2016 93.55 86.68
March 2016 108.12 97.76

Annexure-II
Annexure II referred to in part(c) of Lok Sabha Unstarred Question No. 1321 to be answered on 02.5.2016.
State-wise rubber planted area and production in rubber growing states (2014-15)

State Area (ha) Production (tonne)
Kerala 549955 507700
Tamil Nadu 20925 23785
Traditional Total 570880 531485
Tripura 75070 47000
Assam 51795 17310
Meghalaya 14775 8510
Nagaland 14235 2390
Manipur 3955 1150
Mizoram 3550 360
Arunachal Pradesh 4065 295
North East Total 167445 77015
Karnataka 49210 34560
A&N Islands 805 205
Goa 1165 630
Maharashtra 2310 395
Odisha 1840 305
West Bengal 850 325
Andhra Pradesh 630 80
Others Total 56810 36500
Non Traditional Total 224255 113515
Grand Total 795135 645000

Annexure-III
Annexure-III referred to in part (c) of Lok Sabha Unstarred Question No. 1321 to be answered on 2.5.2016

COLLECTION OF CESS - 2014-15

(Rs "000)

State Cess Interest Total

1 Assam 466.31 2.78 469.09
2 AndhraPradesh 20332.70 203.79 20536.49
3 Bihar 144.71 0.05 144.76
4 Chandigarh 15.50 0.00 15.50
5 Chattisgarh 1008.28 5.49 1013.77
6 Delhi 6971.48 87.55 7059.03
7 Gujarat 22461.24 347.42 22808.65
8 Goa 1412.55 7.37 1419.93
9 Haryana 63559.66 555.36 64115.02

10	Himachal Pradesh	5379.43	149.43	5528.86
11	Jammu & Kashmir	200.00	0.00	200.00
12	Jharkhand	853.44	3.01	856.45
13	Kerala	179236.81	959.24	180196.05
14	Karnataka	20821.59	201.25	21022.84
15	Maharashtra	103625.49	410.84	104036.33
16	Manipur	13.98	0.00	13.98
17	Madhya Pradesh	31790.02	200.38	31990.40
18	Meghalaya	0.00	0.00	0.00
19	Mizoram	0.00	0.00	0.00
20	Nagaland	0.00	0.00	0.00
21	Orissia	45942.52	22.18	45964.70
22	Pondicherry	3991.07	8.73	3999.80
23	Punjab	109715.04	1862.63	111577.68
24	Rajasthan	122340.04	303.29	122643.33
25	Sikkim	0.00	0.00	0.00
26	Tamilnadu	231507.33	603.07	232110.41
27	Tripura	3583.56	0.00	3583.56
28	Uttar Pradesh	61558.88	538.79	62097.68
29	Uttaranjal	6397.12	56.83	6453.94
30	West Bengal	17108.01	244.43	17352.44
	Sole Crepe	142.00	0.00	142.00
	Dealers/Unreg	64.94	0.00	64.94
	Old Dues	4.00	0.00	4.00
	Total	1060647.71	6773.89	1067421.60